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**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA**

Order Instituting Investigation on the Commission's Own Motion into the Rates, Operations, Practices, Services and Facilities of Southern California Edison Company and San Diego Gas and Electric Company Associated with the San Onofre Nuclear Generating Station Units 2 and 3.

Investigation 12-10-013
(Filed October 25, 2012)

Southern California Edison Company's (U338E) Application for a Reasonableness Determination of 2012 Costs Recorded in the San Onofre Nuclear Generating Station Memorandum Account (SONGSMA).

Application 13-01-016
(Filed January 31, 2013)

Application of Southern California Edison Company (U338E) for Inclusion of the Steam Generator Replacement Program Cost Permanently in Rates.

Application 13-03-005
(Filed March 15, 2013)

San Diego Gas & Electric Company's (U902E) Application for a Reasonableness Determination of 2012 Costs Recorded in the San Onofre Nuclear Generating Station Memorandum Account (SONGSMA).

Application 13-03-013
(Filed March 19, 2013)

Application of San Diego Gas & Electric Company (U902E) for Inclusion of the Steam Generator Replacement Project Cost Permanently in Rates.

Application 13-03-014
(Filed March 18, 2013)

WOMEN'S ENERGY MATTERS' STATUS CONFERENCE STATEMENT

October 30, 2017

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WOMEN'S ENERGY MATTERS' STATUS CONFERENCE STATEMENT

The Ruling Setting Status Conference requests parties to serve position statements re: the preliminary issues identified in the Ruling, including any additional issues to be considered, and to comment on schedule, and number and location of public participation hearings.

Women's Energy Matters ("WEM") responds as follows:

PRELIMINARY ISSUES

1. Cost Allocation Issues Related to the Failed Steam Generator Replacement Project

The Ruling sets out eight bullet points delineating cost allocation issues on which parties are to provide expert testimony and briefing. WEM notes some omissions including SCE's handling of Nuclear Energy Insurance Limited ("NEIL") insurance policy claims, and Nuclear Fuel Net Proceeds.

NEIL Insurance Policy Claims

The Amended and Restated Settlement Agreement contains provisions regarding potential recoveries obtained on NEIL insurance policies claims. Paragraph 4.11(a)(ii) concerns recoveries from the "NEIL Outage Policy" and Paragraph 4.11(a)(iii) concerns recoveries from "NEIL Other Recoveries". Recoveries on the NEIL policies were to be divided between shareholders and ratepayers, with ratepayers getting the lion's share: 95% of recoveries on the NEIL Outage Policy and 82.5% of NEIL Other Recoveries (less Litigation Costs related to the claims). The Utilities accepted \$400,000,000 from NEIL in settlement of the Outage Policy, but do not appear to have pursued recovery on the Primary Property Policy or the Excess Property Insurance Policy. Ratepayers paid for these policies, and the recoveries on "NEIL Other Recoveries", if pursued, could have been substantial (over \$2.5 Billion). The Warsaw Note itself clearly stated that NEIL Recoveries would go to customers. Why did the Utilities forfeit ratepayers' potential recoveries on the Primary Property Policy and Excess Property Insurance Policy claims? In order for the Commission to fairly decide financial responsibility for the SONGS failures, the record of this proceeding must contain in depth information and analysis re: SCE's handling of NEIL insurance policy claims.¹

¹ During the course of the meet and confers this past year, SCE and SDG&E answered parties "Information Requests" regarding this and other issues. WEM hereby requests that the utilities waive any confidentiality

Nuclear Fuel Inventory and Net Proceeds

The October 10 Ruling lists disallowance of nuclear fuel contract cancellation costs as an issue but does not mention nuclear fuel inventory and net proceeds. This relates to the fuel purchased when it was assumed the plant would remain in service until 2022. Paragraph 4.6 of the Settlement Agreement saddles ratepayers with paying for this un-needed fuel. Paragraph 4.7 was added to the Agreement as a cost mitigation provision, promising ratepayers a 95% credit from net proceeds of future sales of the fuel stock. To date no recoveries have been credited to ratepayers. The record of this proceeding must contain in depth information and analysis re: SCE's handling of nuclear fuel inventory and cost mitigation efforts if the Commission is to fairly decide financial responsibility between shareholders and ratepayers.²

Rate Collections Authorized by D1411040 Must Be Suspended Immediately

The October 10th Ruling urges non-utility parties to coordinate on issues and build cooperation. To a great extent this has already occurred. Active consumer parties are in regular communication and are unanimous in urging the Commission to halt the rate collections authorized by D1411040. Ruth Hendricks and CDSO laid out convincing arguments for rate suspension in their motion dated June 19, 2017. Hendricks and CDSO have contributed greatly to the course and breadth of this proceeding, but the Commission has ignored their motions repeatedly. WEM supports Hendricks and CDSO's motion and recommends that the Commission order an immediate stay on collection of rates authorized by D1411040. Further, the Energy Department should be instructed to reject any Advice Letters submitted by SCE and/or SDG&E requesting payment of funds authorized by D1411040.³ The May 9, 2016, December 13, 2016 and October 10, 2017 Rulings reopened and expanded the scope of this proceeding -- D1411040 is in limbo. The Assigned Commissioner and ALJ should order an

concerns related to information disclosed during the course of the meet and confers, and make their Information Request Responses public as if the Information Requests had been Data Requests. The Responses can be posted on SCE's online "SONGS OII Documents Library" and the CPUC's online Supporting Documents System.

² WEM requests that SCE waive confidentiality and make public any and all information regarding the Nuclear Fuel Inventory and Net Proceeds issue shared during the meet and confers, and post the information on the SONGS OII public website and the Commission's Supporting Documents online system.

³ SDG&E recently submitted an advice letter requesting disbursement of its Litigation Costs in the MHI Arbitration. WEM, TURN, CLECA, DACA, A4NR and ORA have all filed protests. SCE and SDG&E's Litigation Costs (related to both the MHI Arbitration and the NEIL insurance claims) should be issues in the next phase of litigation.

immediate halt to SCE and SDG&E's ability to enjoy financial benefit from a Settlement that even its own signors no longer support.

2. GHG Emission Reduction Research Funds⁴

The record related to the GHG research program is a narrative of back room deal making with suggestions of bribery. The March 2013 "Warsaw Notes" reference a "GHG, climate, or environmental academic research fund". Non-utility parties first heard about it in September 2014, when a GHG research fund provision was suggested as a "public interest" modification to the Settlement. WEM never bought into that "public interest" argument. For one thing, the \$25 million philanthropic gesture came nowhere near to matching the dollar value of environmental damage caused by SONGS (whether before or after shutdown). UC's Late-Filed Notice of Ex Parte Communications, filed December 15, 2015, put the program, and the part it played in the illegally crafted settlement, in context, but many questions remain. ⁵

On June 2, 2016, the California State University System sought party status to advocate that it be allowed to share at least 50% of the ill gotten gain. WEM's position is that the GHG research program never was, and never can be a substitute for a resolution of this proceeding that is truly in the public interest. However, if the Commission can resolve the ratemaking issues related to the SGRP failures and abandoned plant in a manner that is truly in the public interest and protects the interests of ratepayers, then WEM will support CSU getting a fair hearing.

OTHER ISSUES TO BE DISCUSSED AT STATUS CONFERENCE

Status of SGRP Reasonableness Review and PUC § 455.5 Investigation

⁴ The GHG Research Fund provision is found at Paragraph 4.16 of the Amended and Restated Settlement Agreement.

⁵ In a previous filing regarding the UC's GHG Program ex partes, WEM noted that one of the written materials submitted as Appendix A to UC's ex parte notice was a May 12, 2014 email from Stephanie Pincetl to Michael Peevey. This email contained an attachment, "SONGS concept abstract.docx". This document was not produced by UC, though it clearly should have been, pursuant to Rule 8.4(c) of the CPUC Rules of Practice and Procedure. WEM repeats its request that UC be ordered to produce "SONGS concept abstract.docx" together with any revisions it may have undergone during the course of the illegal ex partes, so that it can be added to the record of this proceeding. All e-mails between CPUC decision makers and SCE executives released pursuant to Public Records Act requests should also be added to the record to the extent they have bearing on this issue.

The record of A0402026 ⁶ has been added to this proceeding. D0512040, in that proceeding, stated:

"5. If the SGRP cost exceeds \$680 million, or the Commission later finds that it has reason to believe the costs may be unreasonable regardless of the amount, the entire SGRP cost shall be subject to a reasonableness review."⁷

Given the multi-billion dollar repercussions of the Steam Generator failures, the SGRP reasonableness review became a legal requirement, and on January 28, 2013, it was added to the scope of this proceeding, which was already tasked with conducting a PUC Code section 455.5 investigation.⁸ Clearly, the Commission was legally required to investigate what went wrong with the SGRP and protect ratepayers from Utility malfeasance.

Instead, the President of the CPUC met in secret with his ex-colleagues at SCE, and struck a deal wherein the 455.5 investigation was abandoned and ratepayers were ordered to pay off the utilities' base plant investment, including the cost of the unused nuclear fuel, and not just SCE and SDG&E's attorneys' fees, but also MHI's ! Meanwhile, while no one was looking, SCE neglected to pursue billion dollar claims under ratepayer-funded NEIL insurance policies.

WEM seeks clarification: where does this current resumed phase of litigation fit in terms of D0512040's reasonableness review requirement and PUC § 455.5's Investigation? The October 10th Ruling does not really answer these questions, and WEM requests discussion and clarification at the November 7th Issue Conference.

SCHEDULE, NUMBER AND LOCATION OF PUBLIC PARTICIPATION HEARINGS

AND OTHER LOGISTICS

Schedule

It its Decision approving the Settlement Agreement, the Commission stated that hearings in a Phase III Investigation, " would likely be long and complex."⁹ Yet the current Ruling calls for an expedited schedule and only 4 days of hearings. "This matter is long overdue

⁶ Application to Replace SONGS Unit 2 and 3 Steam Generators.

⁷ D0512040 in A0402026 at p. 109.

⁸ I1210013, 1-28-13 Scoping Ruling at p. 2.

⁹ D1411040 at p. 112.

for resolution and therefore an expedited schedule will be implemented."¹⁰ If this new round of activity represents the Commission's attempt to finally satisfy the legal requirements of D0512040 and PUC § 455.5, WEM suggests we slow down and do it properly this time. The issues remain complex and the record is expanding. WEM agrees this matter is long overdue for resolution, but the delay is the direct result of illegal ex parte contacts between SCE executives and CPUC decision makers. Ratepayers should not be further harmed because of Utility-regulator collusion that has tainted and delayed the process these past many years.

Public Participation Hearings

Public Participation Hearings should be scheduled before and after the Evidentiary Hearings, and after the issuance of a Proposed Decision. They should be held in San Clemente.

Other Logistics

The October Ruling ordered that Judicial Notice be taken of the complete record of A0402026. WEM requests that SCE and SDG&E be ordered to add all of the documents that constitute the complete record of A0402026 to the SONGS OII Document Library and the CPUC's Supporting Documents page (including all testimony, exhibits, and hearing transcripts).

CONCLUSION

Thank you for the opportunity to submit these comments.

Dated: October 30, 2017

Respectfully Submitted,

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¹⁰ October 10, 2017 Ruling at p. 11.